



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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February 9, 1998

Ronald Bosshardt
Redmond Clay and Salt Company, Inc.
6005 North 100 West
Redmond, Utah 84652

RE: Meeting With Division Staff, Redmond Clay and Salt Company, Inc. (RCSC), Redmond Clay and Salt Mines, M/039/002, Sanpete County, Utah

Dear Mr. Bosshardt:

Thank you for meeting with the Division staff on February 5, 1998 to discuss the status of your operations and where we need to go to finalize the permitting process for your large mining operation. As discussed, the Division has received bits and pieces of permitting information over the last several years from RCSC, but to date, has no approved mining and reclamation plan on file. The amount of the interim surety (letter of credit) that the Division currently holds was developed with numerous assumptions. Once a detailed mining and reclamation plan is assembled and approved, the amount of interim surety may need to be reduced or increased.

It was decided during the meeting that the best approach to complete the outstanding permitting requirements would be to resubmit a revised Large Mining Operations permit application using the Division's latest application form as a guide. The Division provided you with three examples of approved large mining and reclamation plans to assist you in assembling a plan for your operations. We also provided you with a copy of the current rules and a revised application form to assist you in completing this task. You indicated that you would seek the help of a consultant to assemble your permit application, or at least have them assist you in preparing the required maps. We provided you with a list of consulting firms in Utah that have worked on mine permitting with other operations.

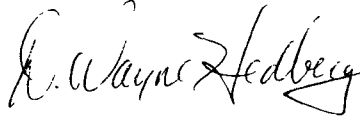
As discussed in the meeting, we would like to complete the processing of your application before the end of the year. The Board of Oil, Gas and Mining must approve of the proposed form and amount of reclamation surety. The last Board hearing for 1998 will be on the first Wednesday of December. In order to meet this goal, we need to complete the review process by the end of September to allow time for a 30-day public comment period before the hearing. It was agreed that you will try to select a consultant and provide us with a timeframe for submitting the revised large mine permit application within 30 days. We anticipate receiving your letter by March 9, 1998.

The Division is committed to help you to the extent possible and answer questions that may arise in a timely manner. We look forward to working with you to complete the permitting for your

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mining operation. Lynn Kunzler will be your lead contact with the Division at (801) 538-5310. However, please don't hesitate to call me (538-5286), Tony Gallegos (538-5267) or Tom Munson (538-5321) if Lynn is not available.

Sincerely,

A handwritten signature in black ink, reading "D. Wayne Hedberg". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
cc: Mary Ann Wright, DOGM
M039022.let